REMARKS/ARGUMENTS

This Amendment is responsive to the Office Action mailed on October 28, 2008. Prior to this Amendment, claims 1-61 were pending. In this Amendment, non-elected claims 1-11 and 26-38 are canceled, claims 21 and 39 are amended, and claims 62-66 are added, so that claims 12-25 and 39-66 are pending and subject to examination on the merits.

Applicants note that Applicants tried a number of times after the first Office Action to contact the Examiner to try and schedule an interview to discuss the issues in this case. However, the undersigned's phone calls were not returned. As Applicants are filing an RCE (request for continued examination), Applicants request an Examiner interview, if this application is not in condition for allowance.

I.   **35 USC 103 - Rodgers (WO 2001/018712) and Bergato (WO 1999/0055629).**

Claims 12-25 and 39-61 are rejected under 35 U.S.C. 103(a) as being unpatentable over Rodgers in view of Bergato. The Examiner states the following in the obviousness rejection.

> Rodgers discloses a Web-based purchasing method using a networked computer system (100) to facilitate the purchase of merchandise by a purchaser (130) from a seller (140), including buyer approval (page 8 lines 11-12), transaction accounts (page 7 lines 12-14), terms and conditions

(page 6 lines 18-21) and variable pricing (page 12 lines 28-30). The pricing of venues

participants, referral services, escrow services would be stored in a database and thus considered

inherent to Rodgers.

Bergato discloses a data processing system (10) and method including a host processor (12) and

remote terminals (26), for facilitating transactions in precious stones such as diamonds are set

forth." I consider that BEP, GATO includes buyer approval (page 29 lines 27-29), transaction

accounts (page 15 lines 11-14) and variable pricing (page 9 lines 24-27).

Furthermore, terms and conditions are included in such things as buyer approval and the like. As

in Rodgers, it is inherent that a database would store such information linking diamond weight

to the fee for the clearing house. Thus, the disclosure of the database is equivalent to your

variable pricing matrix.

In the obviousness rejection, it is not entirely clear what limitation that the Examiner believes is not taught or suggested by Rodgers and that is supplemented by Bergato. Should the Examiner maintain the obviousness rejection, clarification of the rejection is respectfully requested.

Despite the lack of clarity in the Office Action, for the reasons provided below, obviousness has still not been established in view of Rodgers and Bergato, alone or in combination.

A.   *Independent claims 12, 21, and 39*

1.   Obviousness has not been established, since a transaction processing module configured to store a plurality of terms and conditions pre-negotiated amongst the buyer, the seller, an issuer and an acquirer is not taught or suggested by the cited references.

Obviousness has not been established, since neither Rodgers nor Bergato teaches or suggests, *inter alia*, a "transaction processing module further configured to store a plurality of terms and conditions pre-negotiated amongst the buyer, the seller, an issuer and an acquirer" as recited in independent claim 1. Independent claims 21 and 39 recite a similar limitation.

The Examiner does not even mention the terms "issuer" and "acquirer" in the Office Action, so it is unclear where a "transaction processing module further configured to store

a plurality of terms and conditions pre-negotiated amongst the buyer, the seller, an issuer and an acquirer" is taught or suggested in Rodgers or Bergato.

The Examiner does mention that page 6, lines 18-21 of Rodgers recites "terms and conditions." However, page 6, lines 18-21, describes agreements between users who have negotiated a transaction using a website. It does not teach or suggest, *inter alia*, a "transaction processing module further configured to store a plurality of terms and conditions pre-negotiated amongst the buyer, the seller, an issuer and an acquirer."

Bergato discloses a data processing system and method for facilitating transactions in diamonds. It clearly does not teach or suggest, *inter alia*, a "transaction processing module further configured to store a plurality of terms and conditions pre-negotiated amongst the buyer, the seller, an issuer and an acquirer."

B.   *Independent claim 43*

1.   Obviousness has not been established with respect to independent claim 43 and claims dependent thereon, since a number of limitations are not even addressed in the Office Action.

Obviousness has not been established with respect to independent claim 43 and claims dependent thereon, since a number of limitations are not even addressed in the Office Action. For example, the Office Action does not state where the limitations "receiving approval from the buyer in response to the sent payment instruction at the transaction processing system; [and] after receiving the approval from the buyer, sending an authorization request to an issuer." These limitations are clearly not taught or suggested by Rodgers or Bergato, and obviousness has not been established with respect to independent claim 43 or any claims dependent thereon.

C.   *Independent claim 53*

1.   Obviousness has not been established with respect to independent claim 53 and claims dependent thereon, since a number of limitations are not even addressed in the Office Action.

Obviousness has not been established with respect to independent claim 53 and claims dependent thereon, since a number of limitations are not even addressed in the Office Action. For example, the Office Action fails to state where Rodgers or Bergato teaches or suggests, *inter alia*, "wherein the transaction processing system comprises an issuer pricing engine, wherein the issuer pricing engine is configured to determine a transaction fee associated with an invoice associated with the transaction, the issuer retaining at least a portion of the transaction fee." Since many of the limitations in claim independent claim 53 and claims dependent thereon are not even addressed in the Office Action, obviousness has not been established.

CONCLUSION

It is believed that all claims are in condition for allowance. If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 415-576-0200.

Respectfully submitted,

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